



## FANTINI'S GAMING REPORT<sup>©</sup>

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### Special Reporting Service

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### *Fantini's COVID-19 Gaming Daily*

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**NOTE:** We welcome all news and developments that companies and investors want to submit for this report. Send to [Editor@FantiniResearch.com](mailto:Editor@FantiniResearch.com). In addition, you may reach Editor Blake Weishaar at [BWeishaar@FantiniResearch.com](mailto:BWeishaar@FantiniResearch.com) or by phone at +1 302 730 3793.

#### WHAT'S IN RELIEF BILL

The gaming industry is included in the federal stimulus package on an equal basis as every other industry, according to the American Gaming Association.

The bill is expected to receive final legislative approval Friday.

Highlights as reported by the AGA:

- \$454 billion for loans and loan guarantees with tax-deductible interest rates.
- Low interest loans for mid-sized businesses with 500 to 10,000 employees so long as 90 percent of the employees are retained or rehired.
- Carryback net operating losses from 2018 through 2020 to offset taxable income and generate refunds.
- Businesses forced to close by the government can claim a tax credit on employment taxes of 50 percent of wages, up to \$10,000 in wages per employee.

- Employers may defer Social Security tax payments on employee wages for the remainder of this year, instead paying half next year and the rest the year after.
- Companies can immediately write off building improvement costs rather than depreciating them over 39 years.
- \$5 billion in grants to governments to offset economic disruptions including making direct grants to impacted tourism businesses.
- \$8 billion for tribal governments.

AGA's full breakdown: [https://www.americangaming.org/wp-content/uploads/2020/03/AGA\\_CV19\\_CARES-Act-Factsheet-3-26.pdf](https://www.americangaming.org/wp-content/uploads/2020/03/AGA_CV19_CARES-Act-Factsheet-3-26.pdf).

The full stimulus bill: <https://www.documentcloud.org/documents/6819206-CARES-ACT-FINAL-TEXT.html>.

## EUROPEAN iGAMING REVENUES TO FLATTEN

European iGaming revenue should be flat this year as a result of the cancellation of major sporting events and economic factors related to COVID-19, Alun Bowden of Eilers & Krejcik Gaming said.

Online casino growth is unlikely to offset online sports betting declines, he said.

Revenue grew 8.7 percent to €21.6 billion last year, reflecting single-digit growth in mature northern European markets and double-digit growth in new markets.

France led growth at 21 percent followed by Germany at 16 percent and Italy at 12.

GVC led market share with 10 percent followed by bet365 with 9 percent and The Stars Group with 7.

The Fourth Quarter European Online Gambling Tracker is available from Alex Capitle at [ACapitle@FantiniResearch.com](mailto:ACapitle@FantiniResearch.com).

## SINGAPORE CASINOS LIMITING ACCESS

Genting Singapore and Las Vegas Sands' casinos in Singapore are limiting access to casinos to reward cardholders and residents who paid the annual entry fees, GGRAsia reported.

On top of limiting entry, Genting and LVS are also advising guests to maintain social distancing.

Genting Singapore's Resorts World Sentosa canceled some shows but has kept facilities including Universal Studios and the aquarium opened.

## MISSOURI GROUP: SHUT UNREGULATED GAMES

The Missouri Casino Association is calling on the state health department to shut down any of the estimated 14,000 unregulated slot machines that are operating while the 13 legal casinos are shut down.

The cleanliness of the machines is questionable and presents a safety hazard, association Executive Director Mike Winter said.

It is unclear whether any state department has authority to shut down the machines.

Torch Electronics spokesman Gregg Keller says the machines are legal and will continue to be enjoyed by Missourians during the viral outbreak, the St. Louis Post-Dispatch reported.

## US COMPANY UPDATES: CHDN, HARD ROCK, LVS, OCEAN, RRR

- CHURCHILL DOWNS is temporarily furloughing employees at certain properties and lowering salaries company-wide.

- HARD ROCK INTERNATIONAL is laying off all employees at Hard Rock Atlantic City as of March 30.

- LAS VEGAS SANDS. Sheldon Adelson lobbied for business loans in the \$2 trillion economic stimulus bill but says Las Vegas Sands will not be a borrower because he believes the aid should go to small and medium-sized businesses, Bloomberg reported.

Story: [https://finance.yahoo.com/news/sands-adelson-made-calls-stimulus-192641517.html?.tsrc=daily\\_mail&uh\\_test=2\\_15](https://finance.yahoo.com/news/sands-adelson-made-calls-stimulus-192641517.html?.tsrc=daily_mail&uh_test=2_15).

- OCEAN RESORTS in Atlantic City is also laying off employees.

- RED ROCK RESORTS' Station Casinos borrowed \$997.5 million from its revolver in order to increase cash and preserve financial flexibility.

RRR spent \$400.654 million in the fourth quarter.

## INTERNATIONAL COMPANIES: BET, CODERE, PARI-MUTUEL URBAIN, WMH

- BETMAKERS said it has seen no impact from COVID-19 yet and continues to deliver products and services as usual.

However, if Australian racing is suspended, this year's revenue guidance of \$10 million could be impacted, but the company will still see positive EBITDA.

Due to the cancellation of events, there is growing demand to provide additional content through the Global Racing Network, and BET will come out with more data and betting content for customers.

- CODERE will furlough up to 85 percent of its employees, or 1,071 people, pending government approval in Spain.

The Spanish government intends to pay furloughed employees 70 percent of wages for 180 days and 50 percent after that.

- PARI-MUTUEL URBAIN. The French horse racing operator is furloughing up to 95 percent of employees due to France's horse racing cancellations.

- WILLIAM HILL. Adrian Marsh, who was to be appointed CFO of William Hill, backed out of his appointment citing the unprecedented circumstances related to COVID-19.

He will remain group finance director at card maker DS Smith.

WMH has restarted its search for a replacement CFO for Ruth Prior, who plans to join testing and certification firm Element Materials Technology.

## MORE CLOSINGS, CANCELLATIONS

US, CANADA: CHDN, MA, NY

- Churchill Downs' Turfway Park in Kentucky.
- Massachusetts casino closings have been extended through April 7.
- New York. Aqueduct Racetrack will suspend races through April 5.

INTERNATIONAL: MALAYSIA, PHILIPPINES, SINGAPORE POOLS

- Malaysia. Genting Malaysia extended the closure of Resorts World Genting until April 14.

- Philippines. The ASEAN Gaming Summit was postponed from July until September 22.

- Singapore Pools closed all sportsbooks and off-track betting venues and is conducting lottery draws behind closed doors.

## DOING GOOD: CZR, GUANGDONG

NOTE: During this time of crisis, gaming companies, though under stress themselves, are stepping up to help others. Below are examples. To report the good works your company is doing, send information to [Editor@FantiniResearch.com](mailto:Editor@FantiniResearch.com).

- Caesars donated more than 250,000 pounds of food to food banks and charities in the US.
- Guangdong Group donated 600,000 surgical masks to Macau's government.

## **ABOUT THIS REPORT:**

*In Fantini's COVID-19 Gaming Daily report we consolidate all developments about the virus that have business and investment implications for the gaming industry. We will post them on our website until further notice. Fantini's COVID-19 Gaming Daily is a Special Report that is included with all levels of Fantini's Gaming Report subscriptions.*

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